FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

July 26, 2005

In Reply Refer To: Columbia Gas Transmission Corporation Docket No. RP05-476-000

Columbia Gas Transmission Corporation P.O. Box 10146 Fairfax, VA 22030-0146

Attention: Carl W. Levander, Vice President

Reference: Thirteenth Revised Sheet No. 395 to FERC Gas Tariff, Second Revised

Volume No. 1

Dear Mr. Levander:

- 1. On July 1, 2005, Columbia Gas Transmission Corporation (Columbia) filed the above-referenced tariff sheet to delete a tariff provision that sets forth a rebuttable presumption policy and a two-hour processing requirement for discounts. A protest was filed, the details of which are discussed below. Columbia's proposed deletion of the subject tariff provision and the referenced tariff sheet are accepted effective July 31, 2005, as requested.
- 2. Columbia states that the purpose of the instant filing is to delete section 20.5 of the General Terms and Conditions (GT&C) of its tariff. Section 20.5 of the GT&C of Columbia's tariff sets forth the procedures whereby a customer receiving a discount at a specific point may request that this discount apply at a different point. Section 20.5 states that a discount rate will not be retained by the shipper if the pipeline can demonstrate that it has not granted a discount with respect to a similarly situated shipper at that point. Section 20.5 also provides that Columbia shall generally respond to the customer's request within two hours. The rebuttable presumption policy and two-hour processing requirement were articulated by the Commission in *Colorado Interstate Gas Co.*, 95 FERC ¶ 61,321 (2001) and modified in *Granite State Gas Transmission, Inc.*, 96 FERC ¶ 61,273 (2001).

- 3. In Williston Basin Interstate Pipeline Co., the Commission determined that it could not show pursuant to section 5 of the Natural Gas Act (NGA) that the benefits of the CIG/Granite State policy in increasing competition outweigh the disadvantages of potentially discouraging pipelines from using selective discounting to increase throughput. The Commission further found that the Commission's discount policy as set forth in El Paso Natural Gas Co. more appropriately balances the goals of the selective discount policy with the Commission's goals in adopting its segmentation and flexible point rights policies of enhancing competition. The Commission concluded that pipelines who implemented the CIG/Granite State policy may file pursuant to NGA section 4 to remove their tariff provisions implementing that policy.
- 4. Public notice of the instant filing was issued on July 7, 2005. Interventions and protests were due as provided in section 154.210 (18 C.F.R. § 154.2210 (2005)) of the Commission's regulations. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2005)), all timely filed motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. ProLiance Energy, LLC (ProLiance) filed a protest.
- 5. ProLiance states that Columbia's proposal to delete the tariff provisions related to the *CIG/Granite State* policy from section 20.5 of its GT&C is completely unsupported. ProLiance further states that Columbia has merely made a skeletal filing with no support of any kind to allow the Commission to modify Columbia's tariff.
- 6. The Commission finds that Columbia is merely acting upon the Commission's findings in *Williston Basin* that pipelines who implemented the *CIG/Granite State* policy may file to remove such provisions that implement that policy from their tariff. The Commission further finds that Columbia's reference to *Williston Basin*, and its reliance on the Commission's determinations in that order constitute sufficient support for its proposal in the instant filing. Accordingly, Columbia's proposal is consistent with

 $^{^1}$ 110 FERC \P 61,210 (2005), order denying rehearing, 112 FERC \P 61,038 (2005).

² 62 FERC ¶ 61,311 at 62,990-91 (1993).

current Commission policy, and the protest by ProLiance is denied. Columbia's proposed deletion of GT&C section 20.5 from its tariff is accepted effective July 31, 2005.

By direction of the Commission.

Linda Mitry, Deputy Secretary.

cc: All Parties